

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Arquelio & Roberto Vargas
DOCKET NO.: 01-27499.001-C-1
PARCEL NO.: 16-01-409-010

The parties of record before the Property Tax Appeal Board (hereinafter PTAB) are Arquelio & Roberto Vargas, the appellants, by Attorney Michael Griffin in Chicago; and the Cook County Board of Review.

The appellants in this appeal submitted documentation to demonstrate that the subject property was improperly assessed. This evidence was timely filed by the appellants pursuant to the Official Rules of the Property Tax Appeal Board. The evidence included documentation of the subject's 2000 and 2001 tax returns and an income approach to value conducted by the appellants' attorney utilizing the subject's actual income for those years.

The board of review did not submit its "Board of Review Notes on Appeal" nor any evidence in support of its assessed valuation of the subject property. The board of review was defaulted on December 15, 2006.

After reviewing the record and considering the evidence, the PTAB finds that it has jurisdiction over the parties and the subject matter of this appeal.

The appellants in this appeal submitted evidence in support of the contention that the subject property was not accurately assessed. However, the PTAB finds the appellant's argument that the subject's assessment is excessive when applying an income approach based on the subject's actual income and expenses unconvincing and not supported by evidence in the record. In Springfield Marine Bank v. Property Tax Appeal Board, 44 Ill.2d 428 (1970), the court stated:

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change in the assessment of the property as established by the Cook County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	\$	7,218
IMPR.:	\$	28,423
TOTAL:	\$	35,641

Subject only to the State multiplier as applicable.

PTAB/KPP

it is the value of the "tract or lot of real property" property which is assessed, rather than the value of the interest presently held. . . [R]ental income may of course be a relevant factor. However, it cannot be the controlling factor, particularly where it is admittedly misleading as to the fair cash value of the property involved. . . [E]arning capacity is properly regarded as the most significant element in arriving at "fair cash value".

Many factors may prevent a property owner from realizing an income from property, which accurately reflects its true earning capacity; but it is the capacity for earning income, rather than the income actually derived, which reflects "fair cash value" for taxation purposes. Id.

Actual expenses and income can be useful when shown that they are reflective of the market. The appellants did not demonstrate that the subject's actual income and expenses were reflective of the market. To demonstrate or estimate the subject's market value using an income approach, the appellants must establish through the use of market data the following: market rent, vacancy and collection losses, and expenses in order to arrive at a net operating income. Further, the appellants must establish through the use of market data a capitalization rate to convert the net income into an estimate of market value. The appellants did not follow this procedure in developing the income approach to value; therefore, the PTAB gives this argument no weight.

The board of review did not submit any evidence in support of the current assessment of the subject property as required by Section 1910.40(a) of the Official Rules of the PTAB.

Nevertheless, the PTAB further finds that the appellants have failed to adequately demonstrate that the subject's assessment is excessive, and thus, that its fair market value is not reflected in its assessment. Thereby, the PTAB finds that a reduction in the subject's assessment is not warranted.

This is a final administrative decision of the Property Tax Appeal Board are subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



Chairman



Member



Member



Member



Member

DISSENTING: _____

C E R T I F I C A T I O N

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: September 28, 2007



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the

session of the Board of Review at which assessments for the subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.